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POLICY ISSUES: COORDINATION AND COOPERATION WITHIN AND OUTSIDE THE UNITED NATIONS, INCLUDING NON-GOVERNMENTAL ORGANIZATIONS

Participation of the United Nations Environment Programme in the work of the Global Environment Facility

Report of the Executive Director

Summary

This report has been prepared in accordance with paragraph 1 (d) of the Nairobi Declaration on the Role and Mandate of the United Nations Environment Programme (UNEP) as well as Governing Council decisions 19/12 of 7 February 1997 and SS.V/6 of 22 May 1998. It reports on the measures taken by the Executive Director to enhance the role of UNEP in the Global Environment Facility (GEF), and provides an overview of UNEP's activities in GEF in the period 1997-1998 and the elements of the new profile outlined by UNEP in GEF.

Suggested action by the Governing Council

The Governing Council may wish to adopt a decision along the following lines:

The Governing Council

1. Welcomes the progress made by the Executive Director in strengthening the role of the United Nations Environment Programme in the Global Environment Facility pursuant to decision 19/12 of 7

* UNEP/GC.20/1.

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February 1997 and the Nairobi Declaration on the Role and Mandate of the United Nations Environment Programme, as well as decisions SS.V/6 and SS.V/7 of 22 May 1998;

2. Welcomes also the progress made by the Executive Director in strengthening inter-agency collaboration under the Global Environment Facility, as evidenced by the increased role played by the United Nations Environment Programme in joint Global Environment Facility projects with the United Nations Development Programme and/or the World Bank;

3. Welcomes also the conclusion of the Memorandum of Understanding between the United Nations Environment Programme and the United Nations Development Programme on joint collaboration in the Global Environment Facility cross-cutting area of land degradation;

4. Further welcomes the Executive Director's proposal aimed at establishing a strategic partnership between the United Nations Environment Programme and the Secretariat of the Global Environment Facility in addition to the role of the United Nations Environment Programme in the Global Environment Facility;

5. Requests the Council of the Global Environment Facility, in considering the issue of additionality and complementarity of the core activities of the United Nations Environment Programme with its interventions under the Global Environment Facility, to take fully into account its environmental mandate as contained in the Nairobi Declaration on the Role and Mandate of the United Nations Environment Programme as well as relevant resolutions of the United Nations General Assembly;

6. Invites the Global Environment Facility to support the efforts of the Executive Director aimed at strengthening the role of the United Nations Environment Programme in the Facility in accordance with its mandate as contained in the Instrument for the Establishment of the Restructured Global Environment Facility;

7. Requests the Executive Director to present to the Governing Council at its twenty-first session a report on the implementation of the present decision.

I. MEASURES TAKEN BY THE EXECUTIVE DIRECTOR TO ENHANCE THE ROLE OF UNEP IN GEF

1. Pursuant to the relevant decisions of the Governing Council requesting the Executive Director to take additional measures to enhance the role of UNEP in the Global Environment Facility (GEF) and with a view to mainstreaming GEF operations in UNEP's core activities and ensuring better coordination of the activities of all UNEP/GEF partners, the Executive Director convened, on 5 October 1996, a retreat on GEF. More than 50 senior UNEP managers, including the directors of regional and outposted offices, participated.

2. As a result of the UNEP/GEF retreat of senior managers, the Executive Director issued, on 5 December 1996, an Executive Directive addressed to all UNEP staff containing the modus operandi for management of UNEP's GEF work programme. The Executive Directive provides a clear delineation of the role and responsibilities between the UNEP/GEF Coordination Office, the substantive units and the regional and outposted offices. It contains the terms of reference of the UNEP/GEF Coordination Office, the role of the three Senior Programme Officers (for climate change, biodiversity and international waters), and the role and function of substantives entities, including the regional and outposted offices in UNEP's GEF activities. Pursuant to the modus operandi, the atmosphere, biodiversity, land and water units as well as all regional offices have designated part-time GEF focal points.

3. A UNEP/GEF Programme Coordination Committee composed of the heads of the substantive units was also established with a view to ensuring adequate preparation of UNEP's pipeline reviewing UNEP's official GEF submission of projects and concepts and monitoring the implementation of the UNEP/GEF work programme. Since its establishment in early 1997, 11 meetings of the UNEP/GEF Programme Coordination Committee will have been held by the time of the twentieth session of the Governing Council. In addition, UNEP/GEF task forces have been established for project implementation review (PIR) and review of UNEP's pipeline, respectively, and a technical support group on land degradation as it relates to GEF focal areas has also been set up.

4. The Executive Director has also initiated a number of measures aimed at providing adequate training on GEF-related issues to UNEP staff members. In July 1996, an operational manual for UNEP staff on GEF guidelines, procedures and policy was prepared and distributed to all UNEP staff. Twenty-four workshops on GEF and the role of UNEP in it have been organized for UNEP staff at headquarters, regional and outposted offices as well as for the representatives of the environmental conventions, non-governmental organizations, the scientific community and Governments associated with UNEP's activities, including the Committee of Permanent Representatives. Training sessions, of two weeks duration, at the headquarters of GEF secretariat and the other implementing agencies were also organized for UNEP/GEF regional focal points.

5. Focused seminars for UNEP staff have also been convened on issues that related to incremental-cost calculations, development of log frames for project proposals, and new types of project pathways such as Medium-Sized Projects and targeted research. In addition, communication and information materials have been prepared for the purpose of improving understanding of

UNEP's activities in GEF and for providing appropriate information to support the building of partnerships with key institutions. The communication material produced includes a brochure about GEF and UNEP's role in it; UNEP/GEF information kits; brochures on biodiversity and climate-change enabling activities in GEF; a brochure outlining procedures and opportunities of the pathway of Medium-Sized Projects; a leaflet on the role and activities of GEF Scientific and Technical Advisory Panel (STAP); and a brochure on UNEP/GEF land-degradation activities. A UNEP/GEF homepage was constructed in December 1996 and is regularly updated.

6. Based on the measures initiated by the Executive Director to familiarize UNEP staff with GEF operations and procedures, the Study of GEF's Overall Performance, prepared by an independent team of experts recognizes, in its paragraphs 306 and 307, that:

> "UNEP has taken several initiatives to acquaint senior management, substantive units, and regional offices with GEF's policies, procedures, and operational guidelines, including a retreat for senior management, workshops at headquarters and in all regional offices, and distribution of a manual on UNEP GEF operations.
>
> "UNEP's familiarization efforts and consultations with the GEF Secretariat have led to an improvement in UNEP's programming with regard to the additionality requirement."

II. OVERVIEW OF UNEP'S ACTIVITIES IN GEF IN 1997-1998

7. As a result of the measures initiated by the Executive Director to enhance the role of UNEP in GEF, the cumulative UNEP/GEF work programme has increased substantially over the two last years. At the end of GEF Fiscal Year 1998 ("FY 98"), which ended on 30 June 1998, UNEP had for the first time over-delivered on its planning assumptions. In addition, the GEF Council, at its eleventh meeting held in New Delhi in March 1998, and the GEF Assembly, at its first meeting, acknowledged the contribution of the Scientific and Technical Advisory Panel (STAP), for which UNEP provides secretariat support. In addition, UNEP continued to provide substantive inputs to corporate activities of the Facility.

A. UNEP work programme

8. In accordance with the GEF corporate budget for FY 98, adopted at the ninth meeting of the GEF Council, held in Washington D.C. in May 1997, the operational outputs of UNEP for FY 98 were estimated at $25-30 million, an increase of more than 100 per cent over its outputs for FY 97.

9. At the end of FY 98, UNEP had delivered a work programme that resulted in an overall portfolio comprising of 20 strategic full-scale projects amounting to $79.4 million (including jointly implemented projects), 22 Project Preparation and Development Facility (PDF) B grants to a total value of $6.1 million; 17 PDF As of $400,000; six Medium-Sized Projects of $3.8 million; 17 climate-change enabling activities to a total value of $6.7 million; 45 biodiversity-enabling activities and clearing-house mechanism add-on modules to a total value of $7.9 million. Since the beginning of

FY 99, the following activities have entered UNEP's work programme: two full projects of $10.7 million; two joint projects with UNDP of $11 million; one joint project with UNDP and the World Bank of $3 million; two Medium-Sized Projects of $1.5 million; two PDF B projects of $600,000 million; and, two PDF As of $50,000.

10. Accordingly, there has been an increase of more than 200 per cent in dollar value of approved projects between FY 96 and FY 98 and a jump from 18 to 136 activities, including, among other activities, jointly implemented projects. The cumulative work programme of UNEP is of a total value of $98.9 million, including jointly implemented activities. Accordingly, the cumulative work programme, including the pilot phase, as of 1 November 1998 is $125.7 million. The list of UNEP's activities is contained in the annex to the present report.

11. Pursuant to the recommendations of the 1996 heads of agencies meeting on the strengthening of the GEF partnership, the Executive Director has instructed UNEP staff to seek upstream opportunities for joint cooperation with the other GEF implementing agencies. Since 1996, UNEP has promoted or taken an active part in the preparation of 15 GEF projects jointly implemented with UNDP and/or the World Bank amounting to more than $76 million.

12. Based on UNEP's demonstrated comparative advantage and its network of regional seas programmes, special attention has been given to the international waters focal area during the development of the UNEP/GEF work programme. Since 1996, five full-scale projects with a total value of $26.1 million, three joint projects with UNDP and/or the World Bank, and 11 PDF Bs entered the UNEP work programme.

13. It is expected that the strategic Global International Waters Assessment (GIWA) project will become fully operational in January 1999. A host agreement between UNEP and the Government of Sweden was signed in September 1998. GIWA will provide a comprehensive strategic assessment that may be used by GEF and its partners to identify priorities for remedial and mitigatory actions in international waters, designed to achieve significant environmental benefits at the national, regional and global levels.

14. As a follow-up of the STAP workshop on land degradation, held in Dakar in September 1996, and pursuant to decision SS.V/7, on land degradation, adopted by the Governing Council at its fifth special session held in Nairobi in May 1998, UNEP, in collaboration with UNDP, has promoted two full-scale projects in Africa on land degradation as it relates to biological diversity. These projects, in line with UNEP's priority of support to Africa, have a total value of $17 million. To strengthen the UNEP/UNDP collaboration in the GEF cross-cutting area of land degradation, a memorandum of understanding has been finalized. Its signature by the Executive Director of UNEP and the Administrator of UNDP is expected in the near future.

15. In consultation with the GEF secretariat, UNEP finalized in January 1998, a strategy on GEF interventions on persistent organic pollutants. Two PDF Bs have been adopted and are now under implementation.

16. UNEP also assisted STAP in preparing a GEF strategy on targeted research. Since the adoption at the ninth meeting of the GEF Council, held in Washington D.C. in May 1997, of the principles for GEF financing of targeted research, UNEP has submitted nine concepts for the consideration of the GEF Research Committee, chaired by the Chairman of STAP.

17. The pathway of Medium-Sized Projects, adopted by the GEF Council in 1997, has provided an opportunity for advancing environmental management with both UNEP's new and traditional partners. UNEP has played an active role in promoting a meaningful pipeline of such projects. To this end, a workshop with Caribbean non-governmental organizations was convened in Barbados in July 1997. So far, six Medium-Sized Projects to a total value of $3 million have entered UNEP's work programme. A number of other proposals are under active preparation.

18. However, it must be noted that the increase of UNEP/GEF activities since 1996 has not been matched with a corresponding increase in its GEF administrative budget. Accordingly, any increase in UNEP's outputs in the future should be accompanied by a corresponding increase in its GEF administrative budget.

B. Supporting the Scientific and Technical Advisory Panel (STAP)

19. The terms of reference of the Scientific and Technical Advisory Panel were submitted by UNEP, in its capacity as the organization providing secretariat support to STAP, and approved by the GEF Council in October 1995. In accordance with the Instrument for the Establishment of the Restructured GEF, the Executive Director of UNEP appointed in February 1995 the members of STAP for the first phase of GEF. At its eleventh meeting, held in New Delhi in March 1998, the GEF Council endorsed the recommendations of the Executive Director on the reconstitution of STAP for the second phase of GEF.

C. Highlights of the work of STAP during phase I (1995-1998)

20. During the first phase of GEF (1995-1998), STAP held 12 regular meetings and seven workshops on issues related to: land degradation (Dakar, September 1996); the role of the private sector in the introduction of renewable energy technologies in developing countries (Amsterdam, November 1996); options for mitigating greenhouse gas emissions for the transport sector (Nairobi, March 1997); reducing greenhouse gas emissions in coal systems (Amsterdam, September 1997); sustainable use of biodiversity (Kuala-Lumpur November 1997); technology transfer and innovation (Manila, January 1998); carbon sequestration (Washington, D.C. June 1998).

21. In addition to providing strategic and technical advice to GEF in the four focal areas of climate change, biodiversity, international waters and protection of the ozone layer, as well as for the cross-cutting issue of land degradation, STAP contributed to the finalization of the GEF operational strategy and programmes. It also assisted GEF in better defining the relation between land degradation and the focal areas. In consultation with UNEP, it assisted the GEF Council in adopting the principles for financing targeted research.

22. As part of its strategic role, STAP has kept track of GEF projects at various stages of the project cycle and provided comments to the implementing agencies through its Chairman, in his capacity as a member of the GEF Operations Committee (GEFOP). In addition, STAP has undertaken selective reviews of the following GEF projects: Rajastan Solar Thermal Energy Project; Lake Victoria Environmental Project; Alternatives to Slash and Burn Project, Phase 1.

23. Consistent with the guidance of the GEF Council, STAP has developed a roster of experts for GEF, which has made a significant contribution to the GEF project-review process as it has ensured the scientific and technical soundness of GEF projects. Each GEF project proposal requires an external technical opinion by one expert listed in the roster. Version 1 of the roster, comprising 368 experts, was produced and submitted to the GEF Council in October 1996 and addendum 1, comprising an additional 50 experts, in November 1997. Consistent with the operational guidelines for the management of the roster, STAP prepared annual reports on the use and management of the roster which were submitted to the GEF Council in November 1997 and October 1998.

24. Implicit in STAP's role and mandate is the need to engage the wider scientific and technical community in providing scientific and technical advice on GEF related issues. During the first phase of GEF, STAP initiated a long-term process aiming at mobilizing the wider scientific community, in particular in developing countries, through the convening of STAP workshops. In collaboration with the National Academy of Science (NAS) of the United States of America, it also convened a workshop on building scientific capacity into GEF enabling activities and operational programmes. In addition, STAP succeeded in establishing working relations with the scientific and technical subsidiary bodies of the GEF-related environmental conventions.

25. At the first meeting of the GEF Assembly, held in New Delhi from 1 to 3 April 1998, STAP submitted a document on the highlights of the work of STAP during GEF 1 (1995-1998) (GEF/A.1/4). It also organized a panel discussion on the role of science in GEF. A brochure on STAP was distributed, and an exhibit was also organized.

26. Based on the above, the GEF Council at its tenth meeting "noted with appreciation STAP's contributions to the GEF". At its eleventh meeting, held in New Delhi in March 1998, the GEF Council "expressed its deep appreciation for the excellent work and scientific and technical advice that STAP and its Chair had contributed to the GEF". The New Delhi Statement adopted at the first GEF Assembly, specifically acknowledged "the excellent work of the Scientific and Technical Advisory Panel in providing strategic advice and in reviewing projects".

D. The reconstitution of STAP for the second phase of GEF

27. In accordance with the mandate entrusted to the Executive Director of UNEP in the Instrument for the Establishment of the Restructured Global Environment Facility and in consultation with the Chief Executive Officer/Chairman of GEF and other heads of implementing agencies, the Executive Director of UNEP submitted in November 1997 to the tenth meeting of

the GEF Council a note on the reconstitution of STAP highlighting the criteria and the procedures guiding the reconstitution process, including the establishment of a Search Committee.

28. The Search Committee was chaired by UNEP and comprised of representatives of the GEF secretariat, the other implementing agencies as well as the Third World Academy of Science (TWAS) and the International Council of Scientific Unions (ICSU). The Search Committee held four meetings and, on 26 February 1998, submitted its recommendations to the Executive Director of UNEP. For the focal area of biodiversity, the following experts were recommended: Dr Peter Bridgewater (Australia), Dr. Madhav Gadgil (India), Dr. Christine Padoch (USA), Prof. Paola Rossi Pisa (Italy), and Prof. Jose Sarukhan (Mexico). For the climate change focal area the following experts were recommended: Dr. Michel Colombier (France), Dr. Zhou Dadi (China), Dr. Stephen Karekezi (Rwanda), and Prof. Shuzo Nishioka (Japan). For international waters, Prof. Eric Odada (Kenya) and Dr. Angela Wagener (Brazil) were recommended together with Dr. Dennis Anderson (United Kingdom) for cross-cutting issues.

29. Consistent with the guidelines for the STAP reconstitution contained in its terms of reference, the Executive Director of UNEP upon consultation with the Chief Executive Officer/Chairman of GEF, the President of the World Bank and the Administrator of UNDP endorsed the recommendations made by the Search Committee. The recommendations of the Executive Director on the reconstitution of STAP (GEF/C.11/Inf.4) were endorsed by the GEF Council at its eleventh meeting. The results were announced by the Executive Director at the First GEF Assembly. He also announced the designation for the first time of a representative from a developing country as Chairman of STAP, Dr. Madhav Gadgil from India.

30. With the view of ensuring a smooth transition, a joint meeting between the outgoing and incoming STAP members was held in Washington D.C. from 16 to 18 June 1998. In addition, an orientation session for the incoming STAP members was convened on 19 June 1998 with the participation of the implementing agencies and the GEF secretariat.

31. The first meeting of the reconstituted STAP was held in New York from 14 to 17 September 1998. Strategic planning sessions with the scientific and technical subsidiary bodies of the GEF-related environmental conventions and with the GEF task forces were convened. As a result, the STAP submitted, for the twelfth meeting of the GEF Council, held in Washington D.C. from 14 to 16 October 1998, the priority areas that STAP will address in the second phase of the GEF.

E. Corporate contribution of UNEP to GEF activities

32. UNEP has made a significant contribution to the development of all major policy documents adopted by the GEF, including: the operational strategy; the ten operational programmes under implementation; the two operational programmes under development on transport and carbon sequestration; the policy framework on agrobiodiversity; the operational criteria for biodiversity and climate-change enabling activities; the principles for financing targeted research; the avenue of Medium-Sized Projects; as well as the annual GEF reports and the major documents on the

follow-up to the GEF Assembly and the second replenishment submitted to the Council at its twelfth meeting. UNEP also provides its inputs on a regular basis for the preparation of the three-year and annual corporate business plans. It contributed to the development and implementation of the programme of work of the GEF secretariat on monitoring and evaluation, including the annual project implementation review and the quarterly report. To this end, and in spite of the time difference between Nairobi and Washington D.C., UNEP staff members have taken part in all GEF task force meetings held by teleconference. Contributions were also made by UNEP staff members to the convening and proceedings of the GEF retreat, held in Washington D.C. on 17 to 18 September 1997, as well as for the brainstorming session, held in Washington D.C. on 15-16 June 1998.

33. UNEP continued to provide technical comments on all projects submitted by the other implementing agencies and to participate in the GEF Operations Committee, convened by teleconference before the dispatch of each GEF work programme. It made a corporate contribution for the preparation of the first meeting of the GEF Assembly. A UNEP/GEF staff member was seconded to the secretariat servicing the Assembly.

34. UNEP contributed to the GEF exhibits and workshops organized at the first meeting of the Assembly, as well as at the regular meetings of the conferences of the parties to GEF-related conventions and their subsidiary bodies.

35. UNEP also provided its inputs to the preparation, finalization and follow-up of the study of GEF's overall performance.

E. Study of overall performance of GEF

36. At the request of the GEF Council, "The Study of GEF's Overall Performance", prepared by an independent team assisted by a senior advisory panel was finalized in January 1998 and considered at the First GEF Assembly, as well as at the eleventh session of the GEF Council.

37. On the issue of mainstreaming, the study team suggested that taking into account the environmental mandate of UNEP, the criteria to assess the mainstreaming of GEF activities within the organization should be based on the principle of complementarity and additionality between UNEP/GEF proposals and the organization's core activities. The study emphasized the need for the implementing agencies to leverage additional financial resources. However, the team recognized in paragraphs 299 and 300 of its report that:

> "UNEP, unlike the World Bank and UNDP, is not a funding agency ... It has a budget approximately one-thirtieth the size of UNDP's, and that budget has shrunk drastically in the last few years.
>
> "It is not reasonable to expect UNEP to be able to provide cofinancing for GEF projects. The nature of UNEP projects is such that it is much more difficult to mobilize additional financing from other sources than it is for the other Implementing Agencies. UNEP partners in the science and environmental communities generally do not have access to the resources of sectoral and developmental agencies, and governments are less willing to finance regional and subregional activities."

38. The issue of mainstreaming was also addressed by the participants in the second replenishment of GEF. The policy recommendation addressed to UNEP arising from the second replenishment of GEF provides that:

> "Aware that UNEP's mandate includes a strong focus on the global environment, Participants recommend that UNEP should better integrate GEF activities in its own operations on the global environment and should ensure synergy between UNEP's regular activities addressing global environmental issues and its proposals for GEF funding. At the same time, UNEP's proposals for GEF funding should be consistent with the principle of additionality - GEF should not fund activities that are part of UNEP's mandate and regular programs."

39. In endorsing the policy recommendations attached to the report on the second GEF replenishment at its eleventh meeting, the GEF Council requested "the Implementing Agencies to prepare for the October 1998 Council review, a strategy and timetable showing how the Agency will integrate global environment activities into its own policies and programs and report regularly thereafter to the Council on its implementation". Accordingly, the Executive Director addressed the GEF Council at its twelfth meeting, a note on the complementarity of UNEP's core activities with its GEF interventions (GEF/C.12/5) 1/ as well as an information note on the measures initiated by UNEP to mainstream GEF operations in its regular activities (GEF/C.12/5/Add.1). 2/ In the Executive Director's address to the twelfth meeting of the Council, the new profile of UNEP in the GEF was also elaborated.

40. At its twelfth meeting, the GEF Council reviewed the documents prepared by UNEP on complementarity and mainstreaming GEF operations in UNEP's regular programme and recommended that a revised version of the UNEP document on mainstreaming the GEF in UNEP's regular operations would need to be prepared for the Council meeting in May 1999 listing the challenges to mainstreaming and measures to be put in place to improve UNEP's implementation capacity and including a time-bound schedule and benchmarks for doing so.

41. At its third meeting, held in Buenos Aires on 10 November, 1998 the High-level Committee of Ministers and Officials considered the role of UNEP in the Global Environment Facility. The meeting had before it the above-mentioned documents on complementarity and mainstreaming and a note by the Executive Director on the outcome of the twelfth meeting of the GEF Council of relevance to UNEP (UNEP/HLC/3/INF/5).

42. The High-level Committee requested the Executive Director to prepare for the consideration of the UNEP Governing Council at its twentieth session a draft action plan on the complementarity and additionality of UNEP core activities with its GEF interventions based on the draft UNEP work programme for the biennium 2000-2001. That action plan will be before the Council as document UNEP/GC.20/44.

1/ Also circulated as document of the High-level Committee of Ministers and Officials at its third meeting (UNEP/HLC/3/INF/3, annex).

2/ Also circulated as document of the High-level Committee of Ministers and Officials at its third meeting (UNEP/HLC/3/INF/4, annex).

III. THE NEW PROFILE OF UNEP IN THE GEF

43. The statement of the Executive Director of UNEP to the First GEF Assembly highlighted the following priority areas, which should guide UNEP's programmes in the future, namely:

(a) Environmental emergencies/catastrophes such as the forest fires in Indonesia and Brazil and the lessons offered by the El Niño phenomenon;

(b) Strengthening relationships with environmental conventions;

(c) The development of economic instruments and practices and their use to foster more uniform standards among nations. In this regard, particular emphasis will be placed on a follow-up to the Kyoto Protocol including initiatives on the Clean Development Mechanism;

(d) Integrated management of water resources;

(e) Environmental problems resulting from urbanization, including water pollution, habitat loss, deforestation, carbon-emitting energy use and transportation policy;

(f) An increased focus on chemicals, including special reference to persistent organic pollutants (POPs);

(g) The development of clean technologies in partnership with industry and business and their transfer to developing countries; and

(h) Mobilization of the wider scientific and technical community as well as the development of strategic partnerships with the private sector, civil society, non-governmental organizations, and regional institutions and secretariats as a means of strengthening links between science, environmental management and policy.

44. In his statement the UNEP Governing Council at its fifth special session, the Chief Executive Officer and Chairman of GEF acknowledged that UNEP has considerable experience and networks in the international waters focal area and in the cross-cutting issue of land degradation that should be brought to bear in GEF operations. In addition, and subject to GEF Council approval, he suggested that UNEP's comparative advantage in GEF may be best addressed in the following three areas: assessment and scientific information, best practice and policy analysis; and capacity-building and training for the global environment.

45. Based on the above decisions and considerations, the Executive Director submitted to the GEF Council at its twelfth meeting the following overall objectives of UNEP in the second phase of GEF:

(a) Provide environmental advocacy, analysis and advice in shaping GEF priorities building on UNEP's current responsibility for ensuring the scientific underpinning of GEF activities in cooperation with STAP;

(b) Contribute to ability of GEF to make ir ormed strategic and operational decisions through scientific and technical analyses, including targeted research; methodology/tool development and application; learning and dissemination programmes as well as demonstration projects, particularly on new and emerging environmental issues, such as biosafety, sustainable use of biological diversity, fair and equitable sharing of benefits, agro-biodiversity, and indigenous knowledge;

(c) Relate national actions to the global environmental objectives of GEF through enabling activities, public awareness and education, and the translation of international environmental commitments into national legislation and regulations;

(d) Advance and promote regional, subregional and transboundary cooperation on priorities of global significance and, in particular, in land degradation with special emphasis in Africa. In the area of international waters, UNEP's objective is to provide intellectual leadership and to guide, through the Global International Waters Assessment, the future developments of the GEF portfolio; and

(e) Promote a major GEF activity in the area of transfer of technology, including assessment of technological options, barrier removal projects for promoting sustainable technologies.

46. More specifically , UNEP's programmatic focus in GEF, will be based on the following strategic categories of activities.

A. Assessment

47. As the "authoritative advocate for the global environment", UNEP has a wealth of experience and networks in the area of environmental assessment, built during its more than 25 years of experience as evidenced by, the Global Environment Outlook, and the Global Assessment of Soil Degradation, as well as the Global Biodiversity Assessment financed by GEF.

48. During the second phase of GEF, UNEP will focus on the following: the Global International Waters Assessment (GIWA); wind-resource assessment; a global ecosystem assessment; a regionally based assessment of persistent organic pollutants and assessment of technological options, as well as other environmental assessments aimed at the further development of the objectives and the operations of GEF and the global environmental conventions.

B. Regional transboundary collaboration

49. In many regions of the world, major issues affecting the global environment relate to the management of transboundary/shared natural resources, such as water catchments, contiguous forest ecosystems, grazing lands, and oceans and seas, which cannot be effectively managed by each country on their own but need to be addressed in cooperation with the concerned countries. UNEP has always placed considerable emphasis on joint, collaborative, regional and subregional approaches to the resolution of environmental issues impacting upon shared/transboundary natural resources. This is best exemplified by UNEP's regional seas programme with its supporting legal instruments and by UNEP's work in desertification. By

building and strengthening its regional capacity and delivery mechanisms, UNEP has developed strong partnerships at the regional and subregional scale, which are utilized to facilitate regional cooperation and partnership. UNEP's experience in regional and transboundary/shared ecosystems is recognized in the GEF corporate business plan for FY99-FY01. Projects specifically tailored to address shared and/or transboundary ecosystems will be a major focus of UNEP's work in GEF, particularly in international waters, biodiversity and land degradation as it relates to the GEF focal areas.

C. Targeted research

50. With its scientific and technical capability in the field of the environment, UNEP is well placed to play a leading role in advancing the GEF targeted-research agenda in accordance with the policy adopted by the Council in March 1997. In operationalizing the GEF research policy, UNEP will focus on those activities that build synergy and complementarity between the GEF-related environmental conventions, as well as activities aimed at furthering scientific knowledge and removing scientific uncertainties concerning emerging environmental issues related to the implementation of the environmental conventions.

D. Innovative demonstration and pilot activities

51. As GEF evolves and additional guidance is provided by the conferences of the parties to the global conventions for which it serves as financial mechanism, the need for innovative, pilot and demonstration approaches by GEF will become increasingly apparent. Based on its comparative advantage, UNEP, in accordance with its mandate, will play a leading role in promoting such activities to assist eligible Parties to address emerging environmental issues including, inter alia: biosafety; sustainable use of biological diversity; fair and equitable sharing of benefits; agro-biodiversity; and the role of financial instruments in meeting the objectives of the GEF-related environmental conventions and protocols.

E. Methodological frameworks and tools

52. UNEP has a unique role to play in fostering the development and application of methodologies and tools to address environmental issues at the national, regional and international levels, particularly in bridging the gap between science and operations in the field of environmental policy. In this context, UNEP will further the development of "framework" activities (e.g. methodologies, tools, etc.) to address priority issues that are not being adequately dealt with in current GEF operations.

F. Enabling activities

53. As the leading environmental entity in the United Nations system, UNEP has played a critical role in facilitating the development of the global environmental conventions. A critical element in providing practical guidance concerning the implementation of those conventions, particularly in developing countries, is bridging the gap between national objectives and global environmental benefits. UNEP will continue to play an important role in assisting developing countries in honouring their commitments under the GEF-related conventions. In the second phase of GEF, UNEP will take the lead

in promoting enabling activities to support African countries in meeting their commitments under GEF-related conventions, including the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa and its relevant regional annex.

G. Structured learning

54. As enabling activities mature to a sufficient extent, UNEP's focus will shift in emphasis to reviewing the outcome of such activities with a view to: assessing the extent to which they have been successful and cost-effective in assisting developing country parties in implementing the conventions, analysing the reasons for those that have failed, considering policy and programmatic responses to identified problems, bringing proposals for remedial and further action to the attention of GEF, and developing guidelines for the next phase of implementing national plans.

H. Capacity-building and technical assistance

55. In the area of capacity-building and technical assistance, UNEP will concentrate on those areas in which it has developed particular competence such as: environmental law; information and data-management systems; building technological capacity at the national and regional levels; strengthening the GEF operational focal points; and mobilizing the scientific and technical community to enable them to be more effective advocates for GEF issues in their countries. In the area of environmental law, UNEP will focus in particular, on translating the objectives and provisions of the relevant global conventions into national legislation, as well as the provision of policy guidance that encompasses the integration of environmental concerns into national decision-making.

I. Environmental awareness/public education

56. Consistent with the recommendation of the study of GEF's overall performance, UNEP will seek to develop activities in collaboration with the GEF secretariat and the other implementing agencies that develop an outreach and communication strategy designed to target GEF multiple constituencies, including the focal points and relevant government agencies, non-governmental organizations and civil society, the media and the private sector. UNEP's focus will be in translating an understanding of global environmental issues, including those addressed by global conventions, into national policy actions.

J. Barrier removal, technology innovation and transfer

57. In the context of GEF, factors that mitigate against environmental sustainability are considered as barriers, including constraints to technological innovation and transfer, institutional, administrative, technical and/or policy-related difficulties mitigating against change in practice. Associated with the concept of "barrier removal", UNEP/GEF will promote projects across the focal areas that focus on incentive measures and economic instruments, as well as the utilization and transfer of emerging technologies in GEF projects.

K. Short-term response measures

58. Based on its experience in assisting eligible countries to access GEF resources under short-term measures as evidenced by the Medium-Sized Projects on monk seals and on the forest fires in Indonesia, UNEP will continue to play a leading role in responding to environmental emergencies that may arise from time to time and which require prompt and immediate GEF intervention.

59. In implementing its programme priorities for the second phase of GEF, UNEP will build strategic partnerships with key scientific and technical institutions and other major stakeholders, such as non-governmental organizations. In this regard, special attention will be paid by UNEP to promoting Medium-Sized Projects aimed at increasing and broadening the involvement of stakeholders, and major groups in addressing global environmental issues. The special relationship between UNEP and STAP will be further strengthened.

IV. TOWARDS A NEW STRATEGIC PARTNERSHIP BETWEEN UNEP AND THE GEF

60. To assist the GEF secretariat to respond to the challenges arising from the First GEF Assembly and the second-replenishment mandates, the Executive Director of UNEP, in his statement to the twelfth meeting of GEF Council, 3/ offered the following three areas of strategic partnership between GEF and UNEP:

(a) GEF-UNEP Assessment Programme to monitor and assess global environmental status, developments and scientific interlinkages between global environmental issues; develop early warning systems and identify global environmental hotspots and disasters; and identify where progress is being made and factors that are contributing to such progress. UNEP and GEF could agree on a programme of global and regional assessments, with agreed topics, outputs and financial inputs, and streamlined approval of project activities within that framework;

(b) GEF-UNEP Global Environment Knowledge Management Programme consisting of an up-to-date searchable information system, available on-line. It could collect, disseminate and share experiences from various actors and stakeholders on their implementation efforts. This system will promote the diffusion of policy and technology innovations, the replication of best practices in global environmental management, and advancement of environmental education and awareness. This initiative could act as the dissemination arm of the GEF monitoring and evaluation programme;

(c) GEF-UNEP Global Environment Outreach Programme to implement elements of the GEF strategy for greater outreach and communications, which could include activities to promote coverage of GEF activities in local, regional and international media, information to encourage the private sector to contribute to GEF activities and, through STAP, to build stronger relationships with the scientific community.

3/ UNEP/HLC/3/INF/5, annex II.

61. The Executive Director intends to discuss with the Chief Executive Officer of GEF the concrete operational and financial modalities for the establishment of such a strategic partnership. The UNEP governing bodies will be kept informed of such developments.

V. CONCLUSION

62. Based on the Nairobi Declaration, the overall goal of UNEP in GEF is to be the leading environmental implementing agency that sets the global environmental agenda, and promotes the environmental dimension in GEF operations based on the best available scientific and technical information and expertise, as well as state-of-the-art environmental assessments.

63. The United Nations Task Force on Environment and Human Settlements attached the greatest significance to the effective use of GEF resources and recommended that:

> "Consistent with the GEF Instrument, UNEP's role in providing environmental advocacy, analysis and advice in shaping GEF priorities and programmes should be strengthened, building on UNEP's current responsibility for ensuring the scientific underpinning of GEF activities. UNEP should act as catalyst and advocate for new directions and should take the lead among the three GEF implementing agencies in providing environmental advice. This role is consistent with UNEP's status as the lead agency in the UN system for identifying large-scale environmental threats and proposing remedial measures." 4/

64. It is anticipated that, as a consequence of the measures taken by the Executive Director, UNEP's active involvement at all levels of GEF processes will be further enhanced during the next biennium.

4/ UNEP/GC.20/INF/3, annex, p.21, recommendation 16.

Annex

UNEP'S PROJECT ACTIVITIES IN GEF
(excludes PDF A activities)

GEF Fiscal Year (FY)	Number of projects and PDF Bs approved into GEF work programme	Total GEF allocation for projects and PDF Bs ($)	Total project cost ($)
FY 99	17	22,811,998	41,129,550
FY 98	42	54,795,070	71,122,750
FY 97	39	16,606,360	23,815,180
FY 96	6	858,433	1,104,000
FY 95	4	5,000,000	5,270,000
FY 94	1	2,800,000	2,870,000
FY 93	3	9,300,000	11,400,000
FY 92	2	9,500,000	12,600,000
TOTAL	114	121,671,861*	169,311,480

* Includes GEF allocations for jointly implemented projects,

UNEP GEF projects and PDF Bs entering GEF Work Programme in GEF FY 99 (July 1998-June 1999) (data collated up to 23 October 1998)	GEF allocation ($)	Total project cost ($)
65. Turkmenistan phase-out of ozone-depleting substances (ODS) (joint UNDP/UNEP project)	259,448	420,000
66. Management of indigenous vegetation (joint UNDP/UNEP project)	9,054,000	
67. Integrated water resource management and sustainable development of the San Juan river basin and its coastal zone (PDF B)	283,000	498,000
68. Integrated Management of land-based activities in the Sao Francisco basin	4,400,000	20,214,000
69. UNEP/UNDP biodiversity global support programme	1,536,500	2,336,500

70.	Integrated watershed management programme for the Pantanal and Upper Paraguay River Basin	6,300,000	16,404,000
71.	Regionally-based assessment of persistent toxic substances (PDF B)	340,000	475,000
72.	Development of comprehensive management programmes to reduce pesticide release from the agricultural sector to the marine environment of the Caribbean Sea (PDF B)	295,000	438,000
73.	Namibia - National biodiversity action plan and national report to the Conference of the Parties	242,200	242,200
74.	Bahamas - Clearing-house module under the Convention on Biological Diversity	14,000	14,000
75.	Mauritania - Clearing-house module under the Convention on Biological Diversity	14,000	14,000
76.	Gambia - Clearing-house module under the Convention on Biological Diversity	13,950	13,950
77.	Côte d'Ivoire- Clearing-house module under the Convention on Biological Diversity	13,800	13,800
78.	Mauritius - Clearing-house module under the Convention on Biological Diversity	12,300	12,300
79.	Morocco - Clearing-house module under the Convention on Biological Diversity	14,000	14,000
80.	Vanuatu - Clearing-house module under the Convention on Biological Diversity	13,100	13,100
81.	Solomon Islands - Clearing-house module under the Convention on Biological Diversity	6,700	6,700
TOTAL TO DATE		22,811,998	41,129,550

UNEP GEF projects and PDF Bs entering GEF work programme in GEF FY 98 (July 1997-June 1998)		GEF allocation ($)	Total project cost ($)
82.	Phase-out of ozone-depleting substances (ODS) - Azerbaijan (joint)	6,700,000	6,700,000
83.	Climate change national support programme (joint)	2,155,120	
84.	Global Environmental Citizenship (GEC) (joint) (includes PDF B funding)	3,226,000	6,377,000

85.	Latvia - ODS (joint)	2,000,000	2,000,000
86.	Lithuania - ODS (joint)	4,416,000	4,416,000
87.	Biodiversity conservation, degraded lands in Mauritania and Senegal (joint) (includes PDF A funding)	7,996,000	12,336,000
88.	Implementation of strategic action programme for the Mediterranean Sea (includes PDF B funding)	6,580,000	6,580,000
89.	Canary Current Large Marine Ecosystem (LME) (PDF B)	345,000	345,000
90.	Desert Margins Programme (PDF B)	340,000	430,000
91.	Emergency response measures/Indonesian Fire Medium-Sized Project (MSP)	750,000	850,000
92.	Pakistan biodiversity (BD) enabling activity (EA)	38,000	38,000
93.	Saint Lucia - BD EA	170,000	170,000
94.	Poland - clearing-house (CLH) BD EA	11,000	11,000
95.	Panama - CLH BD EA	14,000	14,000
96.	Egypt - CLH BD EA	14,000	14,000
97.	Cameroon - CLH BD EA	13,000	13,000
98.	Haiti - climate change (CC) EA	350,000	350,000
99.	Nepal - CC EA	310,000	310,000
100.	Conservation and sustainable use of biodiversity in the Gregory Rift Valley lakes (PDF B) (joint)	338,000	338,000
101.	Reducing the impact of tropical shrimp trawling fisheries on living marine resources (PDF B)	330,000	400,000
102.	Rescue plan for the Cap Blanc colony of the Mediterranean monk seal (MSP)	150,000	150,000
103.	Global International Waters Assessment (GIWA) (includes PDF B funding allocation)	6,785,000	14,120,000
104.	Mauritius - CC EA	140,000	140,000

105.	Cameroon - CC EA	265,000	265,000
106.	Mauritania - CC EA	350,000	350,000
107.	Tanzania - CC EA	254,000	254,000
108.	Niue - CC EA	296,000	296,000
109.	Bahrain - CC EA	335,000	335,000
110.	Central African Republic - CC EA	350,000	350,000
111.	A biosafety enabling activity package consisting of 18 country-level needs assessment and a global programme on awareness building on issues arising from the UNEP International Technical Guidelines for Safety in Biotechnology	2,744,000	2,744,000
112.	Programme for the consolidation of the mesoamerican biological corridor (joint UNEP/UNDP project)	2,000,000	2,000,000
113.	SAP for the Red Sea and Gulf of Aden (jointly implemented project) (includes PDF B funding allocation)	2,315,000	2,315,000
114.	Global Biodiversity Forum (GBF)-Phase 2 (MSP)	745,000	1,640,000
115.	Promoting + with the trade and licensing provisions of the Montreal Protocol in countries with economies in transition (MSP)	693,750	
116.	Development of best Practices and Dissemination of Lessons Learned for dealing with the Global Problems of Alien Species that Threaten Biological Diversity(MSP)	750,000	3,691,000
117.	Belarus - biodiversity EA	81,300	81,300
118.	Côte d'Ivoire - CC EA	327,000	327,000
119.	South Africa - CC EA	321,000	321,000
120.	Hungary - Clearing-house module to the Convention on Biological Diversity	7,000	7,000
121.	Madagascar - Clearing-house module to the Convention on Biological Diversity	10,000	10,000

122. Malawi - clearing-house module to the Convention on Biological Diversity	11,000	11,000
123. Seychelles - clearing-house module to the Convention on Biological Diversity	10,100	10,100
124. Mozambique - clearing-house module to the Convention on Biological Diversity	13,300	13,300
TOTAL	53,442,570 + 1,352,500 PDF B allocation = 54,795,070	71,122,700

UNEP GEF projects and PDF Bs entering GEF work programme in GEF FY 97 (July 1996-June 1997)	GEF allocation ($)	Total project cost ($)
125. People, land management and environmental change (PLEC) (includes pre-investment facility (PRIF) funding allocation)	6,276,300	9,027,000
126. Vanuatu - BD EA	207,360	287,000
127. Cuba - BD EA	206,280	206,280
128. Mauritius - BD EA	247,740	247,740
129. Morocco - BD EA	205,200	205,200
130. Côte d'Ivoire - BD EA	237,600	237,600
131. Colombia - BD EA	253,000	314,000
132. Bahamas - BD EA	150,000	240,000
133. Egypt - BD EA	288,000	288,000
134. Poland - BD EA	205,000	205,000
135. Mozambique - BD EA	216,000	216,000
136. Malawi - BD EA	289,000	289,000
137. Seychelles - BD EA	186,000	186,000
138. Cameroon - BD EA	300,000	300,000
139. Panama - BD EA	215,000	215,000

140. Solomon Islands - BD EA	123,000	123,000
141. Estonia - BD EA	166,000	166,000
142. China - BD EA	59,400	59,400
143. Barbados - BD EA	143,640	143,640
144. Mauritania - BD EA	233,000	233,000
145. Hungary - BD EA	173,320	173,320
146. Lesotho - CC EA	350,000	400,000
147. Zimbabwe - CC EA	93,600	114,000
148. Zambia - CC EA	256,000	316,000
149. Madagascar - BD EA	35,000	35,000
150. Russian Federation - BD EA	52,920	
151. Strategic Action Programme for the binational basin of the Bermejo River (includes PDF B funding allocation)	3,271,000	5,956,000
152. Integrated management of the resources of the Rio Sao Franciso and its coastal basin (PDF B)	341,000	620,000
153. A participatory approach to managing the environment: an input to the Inter-American Strategy for Participation (ISP) (MSP) (includes PDF A funding allocation)	720,000	877,000
154. Global International Waters Assessment (GIWA) (PDF B)	(290,000)	(358,000)
155. Western Indian Ocean (PDF B)	325,000	545,000
156. South China Sea (PDF B)	335,000	587,000
157. Mediterranean (PDF B)	(340,000)	(540,000)
158. Global Environmental Citizenship (PDF B)	(235,000)	(235,000)
159. Integrated Management of the Upper Paraguay (PDF B)	286,000	523,000
160. Management of indigenous vegetation for the rehabilitation of degraded rangelands in the arid and semi-arid zones of Africa (PDF B)	(330,000)	(330,000)

161. Estonia/Republic of Moldova (ODS) (PDF B) (jointly implemented - Figure shown here refers to UNEP allocation)	110,000	245,000
162. Georgia/Azerbaijan (ODS) (PDF B) (jointly implemented - Figure shown here refers to UNEP allocation)	100,000	235,000
163. Country programme formulation for Armenia	0	
TOTAL	15,109,360 + 1,457,000 PDF B = 16,606,360	23,825,180

* Excludes bracketed allocations which have been taken into consideration in full project approved into GEF work programme in later fiscal years.

UNEP GEF projects and PDF Bs entering GEF work programme in GEF FY 96 (July 1995-June 1996)	GEF allocation ($)	Total project cost ($)
164. Gambia - BD EA	243,000	243,000
165. Turkmenistan - CC EA	350,000	350,000
166. Enabling countries with economies in transition to phase out ODS (PDF B)	120,433	163,000
167. Cyprus, Turkmenistan, Uzbekistan - ODS (PDF B) (jointly implemented - figure refers to UNEP allocation)	145,000	348,000
168. Bermejo River (PDF B)	(231,000)	(521,000)
169. Latvia/Lithuania ODS (PDF B) (jointly implemented - figure refers to UNEP allocation)	(116,000)	(116,000)
TOTAL	590,000 + 265,433 = 858,433*	1,104,000

* Excludes bracketed allocations which have been taken into consideration in full project approved into GEF work programme in later fiscal years.

UNEP GEF projects and PDF Bs entering GEF work programme in GEF FY 95 (July 1994-June 1995)	GEF allocation ($)	Total project cost ($)
170. Country case studies on climate change impacts and adaptations assessment - Phase I	2,000,000	2,000,000
171. Economics of greenhouse gas Limitation - Phase I	3,000,000	3,270,000
172. Population, land management and environmental change (PRIF)	(100,000)	(100,000)
173. Strategic action programme for the Red Sea and Gulf of Aden (PDF B) (jointly implemented) (GEF allocation for all three agencies was $340,000, UNEP GEF allocation was $95,000)	(340,000)	(340,000)
TOTAL	5,000,000*	5,270,000

* Excludes bracketed allocations which have been taken into consideration in full projects approved into GEF work programme in later fiscal years.

UNEP GEF projects and PDF Bs entering GEF work programme in GEF FY 94 (July 1993-June 1994)	GEF allocation ($)	Total project cost ($)
174. Capacity-building and infrastructure: participation in the assessment, methodology development, and other activities of the Intergovernmental Panel on Climate Change (IPCC)	2,800,000	2,870,000
TOTAL	2,800,000	2,870,000

UNEP GEF projects and PDF Bs entering GEF work programme in GEF FY 93 (July 1992-June 1993)	GEF allocation ($)	Total project cost ($)
175. Biodiversity country studies - Phase II	2,000,000	2,400,000
176. Biodiversity data management capacitation in developing countries and networking biodiversity information	4,000,000	5,400,000
177. Global Biodiversity Assessment	3,300,000	3,600,000
TOTAL	9,300,000	11,400,000

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UNEP GEF projects and PDF Bs entering GEF work programme in GEF FY 92 (July 1991-June 1992)	GEF allocation ($)	Total project cost ($)
178. Country case-studies on sources and sinks of greenhouse gases	4,500,000	6,300,000
179. Biodiversity country studies - Phase I	5,000,000	6,300,000
TOTAL	9,500,000	12,600,000